

**LOUISIANA DISTRICT COUNCIL
OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana**

**Financial Statements
December 31, 2013**

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Board of Executives and Presbyters
Louisiana District Council of the
Assemblies of God
Alexandria, Louisiana

I have reviewed the accompanying statements of financial position of Louisiana District Council of the Assemblies of God as of December 31, 2013, and the related statements of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of District management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

My review was made for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information as listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and I did not become aware of any material modifications that should be made to such information.

Steven M. DeRouen & Associates

Lake Charles, Louisiana
March 17, 2014

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Statement of Financial Position
December 31, 2013

Assets

Current Assets

Cash and cash equivalents	\$ 795,291
Note receivable -Church Extension Plan	16,390
Note receivable - AG Foundation	48,082
Donation receivable - General Council	489,884
Prepaid insurance	29,173

Total Current Assets	1,378,820
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Institutional Property and Equipment

Land	104,698
Buildings and improvements	912,866
Trailers	49,983
Furniture, fixtures and equipment	437,798
Automotive and truck equipment	221,929
Campground improvements	930,062
	2,657,336

Less accumulated depreciation	(1,734,978)
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Total Institutional Property and Equipment	922,358
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Church Properties

	2,255,184
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Total Assets	\$ 4,556,362
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Liabilities and Net Assets

Current Liabilities

Accounts payable	\$ 17,735
Payroll withholdings	18,115
Deferred revenue - General Council	412,262
Note payable-current portion	32,299

Total Current Liabilities	480,411
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Long-term Liabilities

Note payable - long-term portion	410,530
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Total Long-term Liabilities	410,530
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Total Liabilities	890,941
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Net Assets - Unrestricted

	3,665,421
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Total Liabilities and Net Assets	\$ 4,556,362
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See accountants' report and notes to financial statements.

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Statements of Activities
For the Year Ended December 31,

	2013
Unrestricted Support and Revenue	
General	\$ 1,092,528
Church Plant and Development	70,868
Christian education	241,338
Youth	439,337
Women's ministries	75,614
Campground	36,727
Men's ministries	58,102
Royal Rangers	68,621
YMI	5,029
Chi Alpha	24,988
Designated	161,953
Total Unrestricted Support and Revenue	<u>2,275,105</u>
Operating Expenses	
General	441,774
Administrative	352,936
General Department	176,764
Church Plant and Development	207,442
Christian Education	223,056
Youth	375,628
Women's ministries	94,106
Campground	160,383
Men's ministries	43,401
Royal Rangers	71,964
YMI	7,653
Chi Alpha	29,011
Designated	198,588
Total Operating Expenses before Depreciation	2,382,706
Depreciation Expense	<u>91,570</u>
Total Expenses	2,474,276
Excess (deficit) of Support and Revenue over Expenses	(199,171)
Net Assets - Unrestricted, Beginning of Year	<u>3,864,592</u>
Net Assets - Unrestricted, End of Year	<u><u>\$ 3,665,421</u></u>

See accountants' report and notes to financial statements.

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Statements of Cash Flows
For the Years Ended December 31,

	<u>2013</u>
Cash Flows From Operating Activities:	
Excess (Deficit) of support and revenue over cost and expenses	\$ <u>(199,171)</u>
Adjustments to reconcile net cash provided by operating activities:	
Depreciation and amortization	91,570
Decrease (increase) in prepaid insurance	(1,685)
Increase (decrease) in accounts payable and other payables	(5,270)
Other	<u>6,415</u>
Total Adjustments	<u>91,030</u>
Net Cash (Used) Provided by Operating Activities	<u>(108,141)</u>
Cash Flows From Investing Activities:	
(Purchase) receipt of investment - note receivable, net	(22,342)
Capital expenditures	<u>(148,902)</u>
Net Cash Provided (Used) by Investing Activities	<u>(171,244)</u>
Cash Flows from Financing Activities:	
Principal payments on note payable	<u>(28,199)</u>
Net Cash Provided (Used) by Financing Activities	<u>(28,199)</u>
Increase (Decrease) in Cash	(307,584)
Cash and Cash Equivalents, beginning of year	<u>1,102,875</u>
Cash and Cash Equivalents, end of year	<u><u>\$ 795,291</u></u>
Supplemental Disclosures of Cash Flow Information:	
Cash paid for interest	\$ 23,752

See accountants' report and notes to financial statements.

LOUISIANA DISTRICT COUNCIL OF THE
ASSEMBLIES OF GOD
Alexandria, Louisiana
Notes to Financial Statements
December 31, 2013

Note 1 - Organization, Purpose, and Basis of Presentation

The Louisiana District Council of the Assemblies of God was incorporated on August 11, 1944, as a religious organization. The purpose and object of the District Council is to be for religious and charitable purposes; to conduct, promote, engage in, and to enjoy religious service and worship; to promote evangelism and to preach and teach the Holy Scriptures and Doctrines as taught and believed in and practiced by the General Council of the Assemblies of God with headquarters at Springfield, Missouri, and in pursuance of said purpose to engage in whatever form of religious worship that may be necessary to promote such purpose and exercise and to enjoy all rights and privileges incident to such purposes.

The District Council geographically has jurisdiction over the work of the Assemblies of God within the territory covered by the State of Louisiana.

The District Council is an integral part of the Assemblies of God, Inc. with headquarters at Springfield, Missouri. Therefore, the principles of voluntary unity and cooperative fellowship as set forth in the constitution of the General Council, adopted at Springfield, Missouri, September 16-22, 1927, are the principles which govern this District Council.

Note 2 - Summary of Significant Accounting Policies

a. Basis of Accounting

The Church's books and records are routinely kept primarily on the cash basis in day to day operations and adjusted to the accrual basis at year end for financial reporting purposes. The statements presented herein are in all material respects on the accrual basis. In the prior years, historical cost of properties and equipment have not been maintained. Estimated historical costs have been made by management. These estimated costs at January 1, 1980, have been used in this statement. Current year additions, except for various Church properties, are stated at cost.

b. Accounts and Loans Receivable

The District Council in its normal operations makes loans to various churches throughout the state. These loans normally are made interest free, however some are charged interest usually at a below market rate.

LOUISIANA DISTRICT COUNCIL OF THE
ASSEMBLIES OF GOD
Alexandria, Louisiana
Notes to Financial Statements (Continued)
December 31, 2013

Note 2 - Summary of Significant Accounting Policies (Continued)

c. Institutional Property

Institutional property includes only the property used by the District Council in its operation. This includes the real and personal property of the headquarters general offices and the campgrounds. Church properties are more fully described under (e).

Institutional assets acquired by purchase or constructed are stated at cost. Any other institutional assets are stated at fair market value at date of acquisition or other determinable value. Capital improvements including betterments and renewals are stated at cost. Repairs and maintenance are charged to operations as incurred.

d. Depreciation

The District Council maintains the policy of charging straight line depreciation on institutional property. Estimated useful lives used in computing the depreciation are as follows:

Buildings and improvements	40 years
Furniture, fixtures, and equipment	10 years
Automotive and truck equipment	4 - 5 years
Trailers	10 years
Campgrounds improvements	5 - 25 years

e. Church Properties

The District Council holds title to various church real properties throughout the state. It is also an endorser or guarantor on the various mortgage and loan obligations against these properties. These properties are presented in the financial statements at estimated historical cost.

f. Income

A majority of the income is from ministers' tithes and church offerings, contributions and donations are recorded upon receipt. Fund raising by pledging or other comparable practices is not used, thus pledges or accounts receivable from donors are not applicable.

LOUISIANA DISTRICT COUNCIL OF THE
ASSEMBLIES OF GOD
Alexandria, Louisiana
Notes to Financial Statements (Continued)
December 31, 2013

Note 2 - Summary of Significant Accounting Policies (Continued)

g. Cash Flow Information

The District Council considers all short-term investments with an original maturity of three months or less to be cash equivalents

h. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 3 - Mortgages, Notes, and Loans Payable

Description	Security	12/31/13 Balance	Interest Rate
Note payable automobile	Automobile	\$ 7,500	4.95%
Note payable automobile	Automobile	10,268	0.00%
Note payable automobile	Truck	6,495	0.00%
Note payable Belle Chase	Real Estate	418,566	5.25%

The estimated maturities for notes payable are as follows:

2014		\$ 32,299
2015		<u>410,530</u>
		<u>\$442,829</u>

The District is in negotiations with a financial institution to renew the loan for the Belle Chase property. Management anticipates that the terms of the loan will be similar to the original terms.

LOUISIANA DISTRICT COUNCIL OF THE
ASSEMBLIES OF GOD
Alexandria, Louisiana
Notes to Financial Statements (Continued)
December 31, 2013

Note 4 - Deposits Held in Financial Institutions

As of December 31, 2013, the District had demand deposits on hand in financial institutions which exceeded FDIC limits by \$488,438. The District had funds on deposit with AG Foundation totaling \$35,000 as December 31, 2013. These funds are not insured by FDIC. The District's management believes the deposits are with high quality financial institutions and are not exposed to significant credit risk.

Note 5 - Tax Deferred Annuity Plan

The District contributes 6% of full-time employee's compensation to the Assemblies of God Ministers Benefit Association Plan. The Plan is qualified under Section 403(b) of the Internal Revenue Code. Contributions by the District for 2013 was \$40,922.

Note 6- Contingencies

Certain claims, suits, and complaints arising in the ordinary course of operations are pending against the District Council. In the opinion of management, all such matters are of such kind or involve such amounts, as would not have a significant affect on the financial positions or results of operations of the District Council if disposed of unfavorably.

Note 7 - Income Taxes

The District is statutorily tax exempt under Section 501 (c) (3) of the Internal Revenue Code and is not subject to federal income taxes.

Note 8 - Note Receivable and Donation Receivable

As of December 31, 2013, the District had invested with the Church Extension Plan (a non-profit corporation). The investment is secured by a promissory note with a fixed rate of interest for 5 year intervals. The principal and interest may be withdrawn at any time with no penalty. The balance as of December 31, 2013 was \$16,390.

As of December 31, 2013, the District had invested with the AG Foundation (a non-profit corporation). The investment is secured by a promissory note with a fixed rate of interest for 5 year intervals. The principal and interest may be withdrawn at any time with no penalty. The balance as of December 31, 2013 was \$48,082.

The District has funds that were designated by a donor to be on deposit with the General Council of the Assemblies of God, to be used by the District for New Church Evangelism. The funds are to be released to the District when requested for their intended purpose. The balance of the receivable as of December 31, 2013 was \$489,884. These funds are reflected also in deferred revenue, and will be recognized as revenues as the requests are released by General Council.

**LOUISIANA DISTRICT COUNCIL OF THE
ASSEMBLIES OF GOD
Alexandria, Louisiana
Notes to Financial Statements
December 31, 2013**

Note 9 - Subsequent Events

The District evaluated its December 31, 2013 financial statements for subsequent events through March 17, 2014, the date the financial statements were available to be issued. The District is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Supplemental Schedule of General Revenues and Expenses
For the Years Ended December 31,

	<u>2013</u>
General Revenues	
Ministers Tithes	\$ 830,769
General Income	40,727
Rent	34,108
Credential Fees	7,427
LA School of Ministry	36,761
District Council Offerings	10,016
Summer Feeding Program	49,032
Interest Income	24,424
Miscellaneous Income	<u>59,264</u>
Total Revenues	<u>1,092,528</u>
General Expenses	
Salaries and Wages	229,225
Housing Allowance	66,750
Payroll Taxes and Benefits	145,799
Administrative Expenses	
Utilities	36,461
Telephone/Internet	11,255
Office Supplies	39,475
Professional Services	22,346
Postage	16,493
Bank Fees	1,345
Copier Lease/Maintenance	8,890
Building Maintenance and Repairs	65,736
Vanco Services	2,795
Interest Expense	23,752
Property Insurance	86,280
Miscellaneous Expense	38,108
General Department Expenses	
LA SOM	25,284
General Outside Ministries	29,758
District Council	27,803
Committees	37,178
Education/Scholarship	1,000
Travel	46,420
Credential Fees	<u>9,321</u>
Total Expenses	<u>971,474</u>
	<u>\$ 121,054</u>

See accountants' report on supplementary information.

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Supplemental Schedule of Church Plant and Development Revenues and Expense
For the Years Ended December 31,

	<u>2013</u>
Church Plant and Development Revenues	\$ <u>70,868</u>
Church Plant and Development Expenses	
Cell Telephone	1,126
Travel	27,444
Office Supplies	791
Outside Ministries	140,543
Events	16,645
Office Support	842
Salaries and Wages	<u>20,051</u>
Total Expenses	<u>207,442</u>
	\$ <u><u>(136,574)</u></u>

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Supplemental Schedule of Christian Education Revenues and Expenses
For the Years Ended December 31,

	<u>2013</u>
Christian Education Revenues	
Offerings	\$ 17,903
Camp	182,638
BGMC Offerings	18,439
BGMC Refund	16,302
Registrations	<u>6,056</u>
Total Revenues	<u>241,338</u>
Christian Education Expenses	
Travel	10,383
Office Supplies	3,730
Events Expense	6,018
CE Camps Expense	104,208
Outside Ministries	1,978
BGMC Expense	29,933
Trips Expense	1,257
Marketing	810
Resources and Supplies	154
Salaries, Housing & Wages	<u>64,585</u>
Total Expenses	<u>223,056</u>
	<u>\$ 18,282</u>

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Supplemental Schedule of Youth Department Revenues and Expenses
For the Years Ended December 31,

	<u>2013</u>
Youth Department Revenues	
Offerings	\$ 39,911
Fundraisers	96,545
Youth Speed the Light Offerings	42,609
Youth Speed the Light Refunds	4,368
Camp	98,016
Trips	44,226
Registration	110,448
Sales	<u>3,214</u>
Total Revenues	<u>439,337</u>
Youth Department Expenses	
Camp	86,808
Fundraisers	5,799
Supplies	4,051
Events	100,831
Travel	7,533
Trips Expense	56,370
Outside Ministries	16,648
Speed the Light Expense	34,648
Marketing	806
Salaries, Housing & Wages	<u>62,134</u>
Total Expenses	<u>375,628</u>
	<u>\$ 63,709</u>

See accountants' report on supplementary information.

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Supplemental Schedule of Women's Ministries Revenues and Expenses
For the Years Ended December 31,

	<u>2013</u>
Women's Ministries Revenues	
Offerings	\$ 29,909
Events	25,483
Touch the World	10,334
Charters	384
MPACT Clubs Offerings	2,238
MPACT Clubs Registration	7,104
MPACT Clubs Fund Raising	<u>162</u>
 Total Revenues	 <u>75,614</u>
 Women's Ministries Expenses	
Events	9,748
Administration and Office Expense	4,495
Travel	5,947
Touch the World	23,262
Special Meetings	15,772
MPACT Clubs Events	3,630
MPACT Clubs Travel	565
Salaries, Housing & Wages	<u>30,687</u>
 Total Expenses	 <u>94,106</u>
	 \$ <u><u>(18,492)</u></u>

See accountants' report on supplementary information.

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Supplemental Schedule of Campground Revenues and Expenses
For the Years Ended December 31,

	<u>2013</u>
Campground Revenues	
Offerings	\$ 22,076
Maintenance and Development	2,113
Rentals	<u>12,538</u>
 Total Revenues	 <u>36,727</u>
 Campground Expenses	
Telephone	6,106
Travel	7,211
Supplies	8,825
Repairs, Maintenance and Tools	15,112
Utilities	45,121
Maintenance and Development	37,510
Salaries, Housing & Wages	<u>40,498</u>
 Total Expenses	 <u>160,383</u>
	 \$ <u><u>(123,656)</u></u>

See accountants' report on supplementary information.

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Supplemental Schedule of Men's Ministries Revenues and Expenses
For the Years Ended December 31,

	<u>2013</u>
Men's Ministries Revenues	
Offerings	\$ 4,179
Fundraisers	16,432
Registrations	17,987
LFTL Offerings	9,333
LFTL Returns	<u>10,171</u>
Total Revenues	<u>58,102</u>
Men's Ministries Expenses	
Cell/Telephone	740
Travel	3,209
Supplies	770
Events	16,306
Outside Ministries	1,192
Trips	960
LFTL Expense	12,287
Salaries, Housing & Wages	<u>7,937</u>
Total Expenses	<u>43,401</u>
	<u>\$ 14,701</u>

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Supplemental Schedule of Royal Rangers Revenues and Expenses
For the Years Ended December 31,

	<u>2013</u>
Royal Rangers Revenues	
Offerings	\$ 16,031
Events	4,565
Registrations	46,620
Charters	<u>1,405</u>
Total Revenues	<u>68,621</u>
Royal Rangers Expenses	
Telephone	1,322
Travel	492
Supplies	4,540
Events/Academy	25,167
Outside Ministries	8,743
Trips	8,463
Salaries, Housing & Wages	<u>23,237</u>
Total Expenses	<u>71,964</u>
	\$ <u><u>(3,343)</u></u>

LOUISIANA DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
Alexandria, Louisiana
Schedule of Fund Balances - Cash Basis
For the Year Ended December 31, 2013

Fund	Beginning Balance	Receipts & Transfers In	Expenses & Transfers Out	Ending Balance
General Fund	\$ 540,695	\$ 1,326,305	\$ 1,009,392	\$ 857,608
Church Planting & Development	134,718	115,466	207,445	42,739
Christian Education	22,017	278,437	295,452	5,002
Youth Department	65,315	458,215	422,685	100,845
Women's Ministries	32,540	75,614	98,058	10,096
Campground Fund	(166,511)	203,741	198,288	(161,058)
Campground Maintenance and Development	(107,391)	-	-	(107,391)
Men's Ministries	2,765	61,403	52,909	11,259
Royal Rangers	25,937	78,646	81,186	23,397
YMI	(3,226)	5,029	7,203	(5,400)
Chi Alpha	27,069	38,488	37,125	28,432
LASOM	-	36,971	33,099	3,872
	<u>\$ 573,928</u>	<u>\$ 2,678,315</u>	<u>\$ 2,442,842</u>	<u>\$ 809,401</u>

This schedule has been prepared on the cash basis and as such differs from the accompanying accrual basis financial statements. This schedule does not reflect departmental transfers to and from Designated Funds.